

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK**

PNC BANK, NATIONAL ASSOCIATION,	:	Civil Action No. _____
Plaintiff,	:	
v.	:	
CONGREGATION OF LANZUT,	:	
Defendant.	:	

COMPLAINT

Plaintiff PNC Bank, National Association (“PNC”), by and through its counsel Dilworth Paxson LLP, files the following Complaint against Congregation of Lanzut (the “Defendant”):

THE PARTIES

1. Plaintiff is PNC Bank, National Association, a national banking association qualified to do business in the State of New York with a main address at 222 Delaware Avenue, Wilmington, Delaware, 19801. PNC is the successor-by-merger to BBVA USA.

2. Defendant Congregation of Lanzut is a New York religious corporation with a last known address at 565 Flushing Avenue, Unit C1, Brooklyn, NY 11206.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332(a), because the parties are of diverse citizenship and the amount in controversy exceeds the sum of \$75,000.00, exclusive of interest and costs. Specifically, Plaintiff is a citizen of the Delaware, while Defendant is a citizen of New York.

3. Venue is proper pursuant to 28 U.S.C. §1391(a).

FACTUAL BACKGROUND

4. On or about August 6, 2020, for good and valuable consideration, Defendant executed and submitted to BBVA USA (“BBVA”) a Consolidated, Amended and Restated Mortgage Note (the “Note”) in favor of BBVA whereby Defendant promised to repay to BBVA the Six Hundred Ten Thousand Dollars (\$610,000.00) that BBVA lent to Defendant, together with interest (the “Note”). A true and correct copy of the Note is attached hereto and marked Exhibit A.

5. Also on or about August 6, 2020, as security for the Note, Defendant executed a Consolidated, Amended and Restated Mortgage, Assignment and Security Agreement (the “Mortgage,” and together with the Note, the “Loan Documents”) in favor of BBVA on the property at 565 Flushing Avenue, Unit C1, Brooklyn, NY 11206, (the “Property”). The Mortgage was recorded on August 20, 2020, in the Office of the City Register of the City of New York, with document identification number 2020081900968006.

6. On or about October 8, 2021, BBVA merged with PNC. A true and correct copy of the merger certificate for the BBVA/PNC merger is attached hereto and marked Exhibit B.

7. The Note requires Defendant to make a minimum payment to Plaintiff each month. *See* Ex. A ¶ 3.

8. The Note further provides that failure to pay the Plaintiff the payment due each month constitutes an Event of Default. *Id.* ¶ 9. Upon an Event of Default, all amounts payable to Plaintiff under the terms of the Note are immediately due and owing to Plaintiff. *Id.*

9. The Note provides that upon an Event of Default, the Plaintiff is entitled to per diem interest at the Default Rate (as defined in the Note) until the Event of Default is cured. *Id.* ¶ 4.

10. The Note provides that Defendant will pay Plaintiff all costs and expenses incurred by the Lender in connection with the collection and enforcement of this Note, including, without limitation, reasonable attorneys' fees and expenses and all court costs. *Id.* ¶ 10.

11. The Note provides that upon an Event of Default, the Plaintiff is entitled to per diem interest at the Default Rate (as defined in the Note) until the Event of Default is cured. *Id.* ¶ 4.

12. Defendant defaulted under the terms of the Note or failure to make payments in accordance therewith. Specifically, Defendant failed to make the monthly payment due for September 2020 and each month thereafter.

13. Due to Defendant's continued default, by letter dated August 4, 2021 (the "Demand Letter"), BBVA made written demand for payment in full of the outstanding balance of the Note, to be paid by August 13, 2021. A true and correct copy of the Demand Letter is attached hereto and marked Exhibit C. Defendant did not cure the default.

14. By letter dated April 19, 2022 (the "Second Demand Letter"), Plaintiff again made written demand for payment of the loan balance in full by May 2, 2022. A true and correct copy of the Second Demand Letter is attached hereto and marked Exhibit D.

15. Defendant failed to make payment to Plaintiff of the outstanding balance, as required by the Demand Letters.

16. Defendant owes Plaintiff the following amounts on account of the Note as of July 14, 2022:

Principal	\$608,000.00
Interest	\$53,657.00
TOTAL	\$661,657.00

17. Defendant also owes Plaintiff per diem interest at the Default Rate (as defined in the Note) from July 15, 2022 through entry of judgment, as well as \$22,730.25 in attorneys' fees as of July 31, 2022.

18. Contemporaneously herewith, Plaintiff has moved for the appointment of a receiver and for access to the Property based on the terms of the Mortgage and for other equitable reasons more fully described in the respective motions.

AS FOR A FIRST CAUSE OF ACTION
(Breach of Contract)

19. Plaintiff repeats and realleges herein all of the allegations contained above as though fully set forth herein.

20. Pursuant to the Note, Defendant was required to make monthly payments to Plaintiff as set forth in paragraph 3 of the Note.

21. Without excuse or justification, Defendant failed to make the payments due under the Note.

22. Defendant's failure to make the payments due under the Note was an Event of Default under paragraph 9 of the Note.

23. On August 4, 2021 and on April 19, 2022, Plaintiff notified Defendant of its default under the Note. Despite these demands, Defendant failed to cure the default.

24. Paragraph 9 of the Note states that upon an Event of Default, Plaintiff is entitled to all amounts payable to Plaintiff under the terms of the Note and that all amounts are immediately due and owing to Plaintiff.

25. By reason of the foregoing, Plaintiff is entitled to judgment against Defendant in the amount of \$661,657.00 as of July 14, 2022, plus per diem interest at the Default Rate (as

defined in the Note) from July 15, 2022 through entry of judgment, attorneys' fees in an amount to be determined by the Court.

WHEREFORE, Plaintiff PNC Bank, National Association demands judgment against Defendant as follows:

- (i) \$661,657.00 in principal and interest through July 14, 2022, plus per diem interest at the Default Rate (as defined in the Note) from July 15, 2022 through entry of judgment;
- (ii) \$22,730.25 in attorneys' fees (as of July 31, 2022);
- (iii) costs as taxed by the court; and
- (iii) such other and further relief as in just proper an proper.

Dated: New York, New York
August 10, 2022

DILWORTH PAXSON LLP

By: Yonit Caplow
Yonit A. Caplow
99 Park Avenue, Suite 320
New York, New York 10016
Tel: (917) 675-4252
Email: ycaplow@dilworthlaw.com

*Attorneys for Plaintiff PNC Bank,
National Association*